ATTACHMENT C

"The Little Company that Could"

USA Today, October 9, 2005

The little company that could

By Dennis Cauchon, USA TODAY

GULFPORT, Miss. — Melvin Wilson, 46, a marketing manager for Mississippi Power, was reviewing next year's advertising campaign when Hurricane Katrina turned toward Mississippi.

Brian Kalb of Baltimore works to repair an electrical line for Mississippi Power.

By H. Darr Beiser, USA TODAY

A day later, the marketing man was "director of storm logistics," responsible for feeding and housing 11,000 repairmen from 24 states and Canada. (**Photo gallery:** Power struggle in Mississippi)

He needed nurses, beds, meals, tetanus shots, laundry service, showers, toilets and much more — and he needed them now. And he needed double the quantities called for in the company's "worst-case scenario." And he needed them in places that had no electricity, no plumbing, no phones, few road signs and sporadic looting.

About Mississippi Power

Headquarters: Gulfport, Miss.
Employees: 1,250
Customers: 195,000
2004 revenue: $910 million
2004 net income: $77 million
Parent company: Southern Co. of Atlanta
Mississippi Power's damage from Hurricane Katrina
Repair costs: $245 million to $295 million
Customers without power: 100%
Transmission and distribution facilities lost: 65%
Generating capacity available: 3%
Power lines: 1,000 miles down
Poles: 8,900 down
Transmission towers: 300 damaged
Corporate headquarters: Unusable for months
Employees: All survived. More than half suffered substantial damage to their homes; 75 lost homes completely.

Sources: Mississippi Power, Southern Co.

The fact that Wilson didn't have a working phone was his tough luck: If he failed, men would go hungry, hospitals would stay dark and the suffering of his community would endure. "My day job did not prepare me for this," says Wilson, his voice choked with emotion, recalling the burden of having 11,000 mouths to feed.

Let it be told: Wilson got the job done. So did his colleagues. And how they restored power in just 12 days is one of the great modern crisis-management stories.

While the government struggled to organize a bus convoy in New Orleans, Mississippi Power successfully

executed a swift, ambitious disaster plan. The company provided its own security, communications, fuel, food and sanitation. The manpower deployed was equal in size to an Army division.

The story of this relatively small 1,250-employee corporate subsidiary reveals how much can be done quickly when it's managed right. "I could not be prouder of our response," says David Ratcliffe, chief executive of Southern Co. (SO), the Atlanta-based utility that owns Mississippi Power.

Operating in the harshest of circumstances — its corporate headquarters destroyed, its disaster response center flooded, all 195,000 customers without power — Mississippi Power restored power to all customers who could safely take electricity by the symbolic day of Sept. 11. The 12-day repair effort was completed far ahead of the original four-week schedule.

Mississippi Power benefited from a strategy refined by years of hurricane experience. Southern Co.'s five electric companies — all located in hurricane-prone southeastern states — work together during storms and share lessons afterward.

When Katrina hit, Mississippi Power management responded with a style designed for speed and flexibility, for getting things done amid confusion and chaos.

The key elements to success:

A can-do corporate culture.

Southern Co.'s corporate values are written on employees' IDs: Unquestionable Trust, Superior Performance, Total Commitment. These simple rules, called Southern Style, went from platitude to practice during the crisis. For example, "unquestionable trust" made second-guessing a corporate no-no.

Mississippi Power also had steeped its culture in Stephen Covey's *The 7 Habits of Highly Effective People*. The company's training building, the Covey Center, flooded during the storm. But Covey-speak — "win-win," "be proactive," etc. — survived as a lubricant to quick action and on-the-spot innovation.

Clear lines of responsibility.

In contrast to the government's disaster response, Mississippi Power made absolutely clear who had responsibility and authority for each task. Long before the storm, the company had 20 "storm directors" with crystal-clear assignments: transmission lines, logistics, security, etc. Those responsible could not hide in a bureaucracy.

The man responsible for procuring 140,000 gallons of fuel a day in a time of extreme shortages? That's him, the man in the baseball cap, Rufus Smith, storm director for the supply chain. Smith and other directors had broad power backed by "unquestionable trust" from their superiors. "I don't have to ask permission," says Wilson. "If I need 2,000 cots and find some, I say, 'Roll the trucks.' "

Decentralized decision-making.

Twenty years ago, hurricane response was run from the top down: Top executives looked at the power system holistically and set priorities from headquarters. Today, decision-making has been pushed far down the command structure, to the level of the electrical substation, a distribution point that serves perhaps 5,000 people. Crews report to substations with broad authority and a simple mission: Get the power on.

Even out-of-state line crews, hired on contract and working unsupervised, were empowered to engineer their own solutions. The results were entrepreneurial. One crew chief stripped a generator off an ice machine to get a substation working. Other crews scavenged parts from fallen poles. Costly purchases were made instantly over the phone.

The strategy worked even better than top management expected. "We had greater storm damage than originally thought, but this structure made things happen faster than we expected. People were getting more done," says Mississippi Power President Anthony Topazi.

Company procedures were less important than the ability to improvise.

Mississippi Power's hurricane response manual is 4 inches thick. When Katrina struck, the manual played its traditional role: none. "I haven't looked at in years," admits Robert Powell, storm director for damage assessment and a 35-year company veteran. "If you don't know what you're supposed to do, the manual is not going to help now."

The most valuable document was a phone directory: the names and numbers of people who could get things done.

Lesson 1: Think ahead — A good forecast pays off

Robert Powell, a power line project manager, is the company's weatherman when a hurricane threatens. Mississippi Power subscribes to three weather-forecasting services. As the storm approached, Powell talked to meteorologists and examined computer projections. The engineer and self-taught weather expert bet correctly that Coastal Weather Research Center at the University of South Alabama had the most accurate forecast. "They've had the hot hand this year predicting storm paths," Powell says.

Powell told storm directors that Hurricane Katrina could slice a diagonal path through the heart of Mississippi Power's 23-county service area and cause more flooding than official forecasts.

"The computer models don't take into account a quirk in geography that affects our territory," he says. The quirk: Boot-shaped Louisiana sticks out underneath part of Mississippi. "Louisiana acted like a dam, pushing water into Mississippi and creating a storm surge that was twice what the models predicted," he says.

With Powell's assessment in hand and the storm 24 hours away, the company retreated from its primary storm center in its high-rise headquarters on the beach in Gulfport to a backup office at a power plant about five miles inland.

Hurricane Katrina officially landed at 6:10 a.m. Aug. 29.

At noon, the backup storm command center lost power. The giant power plant shut down. A flooded power plant was not in the plan. The company's storm directors, holding flashlights, walked downstairs to look out a small window in a metal door. Cars were floating in the parking lot.

Powell radioed his wife, an officer in the National Guard, that he was OK. He wouldn't speak to her again for six days. "This was more than our worst-case scenario," he says.

Repair trucks were rolling in from out of state as the hurricane pounded Mississippi.

Mississippi Power had pre-positioned 2,400 workers, mostly contract tree trimmers and line crews, in Alabama and Georgia. Combined with its own workforce, Mississippi Power had a force of 3,700 on the ground one day after the hurricane.

Southern Co. procedure called for each subsidiary to run the show on its home turf.

Mississippi Power is a small utility — one-tenth the size of Georgia Power, one-sixth the size of Alabama Power. The company's worst-case scenarios had considered that every customer could lose power, which happened. But the company didn't think it was big enough to manage an outside repair force of more than 5,000, the number prepared for in the worst-case scenario. "We have never, in our little company's history, used more than 4,000 from outside," says Topazi.

The problem wasn't resources. Southern Co. had net income of $1.5 billion in 2004 and resources to spare.

It was all about managing. And that was Mississippi Power's problem.

Lesson 2: Be prepared — Back up your backup plans

Floodwaters had yet to recede when a company security van came to take the first load of storm directors to the company's third option for a storm center: a service office in North Gulfport that had survived Hurricane Camille in 1969. The company had no fourth option.

The office had survived. It didn't have electricity or running water, but it had a roof and walls. The hurricane response control room was set up in a windowless conference room. Topazi took a small office usually inhabited by a local manager.

Phone lines were down. Cellphones were useless. Police radios were silent.

Mississippi Power had one last option: a unique radio function on its company-issued cellphones. When all else had failed, the company radios worked.

At least some of the time.

Mississippi Power cellphones — sold by SouthernLinc Wireless, another Southern Co. subsidiary — work both as a phone and a radio. The phone function died because cellphones needed outside switches and towers. But radio traffic stayed within the damaged but alive SouthernLinc system.

Mississippi Power had 1,100 working radios for themselves, plus 500 extras to lend out. For the first 72 hours, these radios were virtually the only way to communicate on Mississippi's Gulf Coast. A week later, SouthernLinc put the cellphones' function back in service by cleverly issuing toll-free 800-numbers to the phones. That let callers bypass the overworked switches in the 228 area code. While others struggled to communicate at all, Mississippi Power could hold conference calls with line crews in the field.

Mississippi Power and SouthernLinc worked furiously to increase the system's capacity. Microwave dishes were brought in to bypass other companies' disabled telephone lines and switches. When a crane was late, workers didn't wait. They used ropes and brute strength to string a heavy wire to the tower atop a seven-story building.

Immediately after the storm, though, radio contact was spotty.

Melvin Wilson, the logistics man, tried for 12 hours to reach the outside world. He knew thousands of men already were on their way to Mississippi. Some pre-planned staging areas were flooded or inaccessible. It was unclear what supplies were coming or where they should go.

Finally, his SouthernLinc radio worked.

Lesson 3: Teamwork — How to get help when you need it

Joe Wyse, a Georgia Power manager, sitting at a desk in Atlanta, answered.

"Joe, is that you? Can you help me?" Wilson asked.

"Tell me what you need," Wyse said. "I'm here to help."

Wyse's regular job is benchmarking performance, but he's also Georgia Power's storm director of logistics. His group of three people were Wilson's link to the outside world. As the outside repair force grew from zero to nearly 11,000 in eight days, Wyse went deeper and deeper into his supplier database, contacting vendors as far away as Michigan. His team turned to the Yellow Pages and the Internet, cold-calling vendors to see if they could head immediately to Mississippi.

"Food is not the problem. Specialized needs like showers and laundry are toughest," Wyse says.

Wyse's only limit on what to buy and how much to spend was his good judgment. "You can't do a lot of price shopping when you're in a situation like Katrina, but you watch for price-gougers," Wyse says.

One vendor quoted a sky-high price for setting up showers. As desperately as he needed showers, Wyse turned

the offer down. Instead, power company crews built their own shower tent in a parking lot of a former Sunbeam appliance warehouse in Hattiesburg, Miss.

In all, thousands of men were housed at 30 staging areas. Most lived in six full-service tent cities, sleeping in air-conditioned circus tents that held up to 1,800. They ate hot breakfasts at dawn, took box lunches in their trucks and had hot meals at sundown. They showered daily and had their laundry done. They received more than 8,000 tetanus shots.

Wilson worked 20 hours a day. His home was flooded. He didn't see his family for nine days. He sometimes slept on the floor. "I was a logistics man without a bed to sleep in," he says.

Lesson 4: Be clever — Seek breakthrough solutions

Three days after the storm, Mississippi Power's outside workforce already exceeded the 5,000 planned for in the company's worst-case scenario. Repair crews were arriving in fuel-guzzling heavy equipment — bucket trucks, digger derricks, 18-wheelers pulling bulldozers.

Wilson's job was to feed the men. Rufus Smith's job was to feed their trucks.

On a normal day, Mississippi Power's fleet of 600 trucks consumes 3,000 gallons of fuel. One week after the hurricane, the company was feeding 140,000 gallons a day to a fleet of 5,000 trucks.

"My worst nightmare was to have 5,000 trucks and no fuel," says Mississippi Power Vice President Bobby Kerley, who oversaw the repair effort.

The fear was understandable. The military and law enforcement were short on fuel. Looters were siphoning gas from cars. Mississippi Power's diesel supply got so low that trucks were limited to 20 gallons on the second day after the storm.

With the cash economy in shambles, Mississippi Power reverted to the barter system: electricity for fuel. It restored power to a Chevron refinery in Pascagoula and a pipeline in Collins, Miss., in exchange for a steady supply of fuel. The decision helped Mississippi Power and also boosted the fuel supply for the Gulf Coast and the entire eastern United States.

Lesson 5: Set high goals — Hard work and pride pay off

Six days after the storm, Mississippi Power executives were surprised at how quickly the repairs were going. They realized the original four-week goal was "average performance," not the "superior performance" called for in the mission statement. Storm directors met every day at 6 a.m. and 6 p.m. At the evening meeting on Sept. 5, Topazi asked: How quickly could power be restored? Someone said two weeks, maybe 13 days.

The company president walked to a dry-erase board on the wall and wrote 9-11-05. "Someone in the meeting noted, 'Hey, that's Sept. 11' (the anniversary of the attacks on the World Trade Center and Pentagon). We decided then, let's take that terrible date and make it mean something positive."

The company issued a press release after the Monday meeting: Every customer who could safely receive power would have it by Sept. 11, that Sunday. The pledge was an educated guess and a bold dare.

Line crews were hanging wire, sticking poles, replacing transformers and fixing substations at a rate company executives had never seen before. "My job is to keep morale high, but these guys didn't need a morale boost," Topazi said.

Added Powell, the storm assessment director: "These guys had more 'want-to' than I've ever seen. They knew Hurricane Katrina was an historic event and took pride in their role."

The crews are often hurricane veterans.

In the first few days, when big convoys of 30 trucks were common, Mississippi Power might have a single employee assigned to the crew of 50 to 100. The company employee — it could be a line man or cross-trained accountant — directed crews around local streets and maintained radio contact.

By entrusting outside repair crews to do their jobs as they saw fit, Mississippi Power was able to deploy a force nine times bigger than the company.

Lesson 6: Measure results

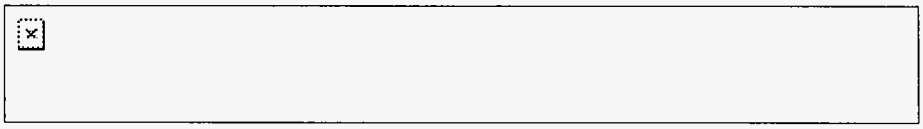
Topazi thinks the breakneck pace of the repair cost a little less than if the company had stuck to its four-week goal. "We accomplished more work on a per-head basis," he says. Only 350 outside workers remain on the job.

The company still has months of work to do. Its power plants aren't all working. Its transmission system needs repair. There are more than 19,000 customers whose buildings were destroyed or too damaged to receive electricity.

On Sept. 8, Topazi showed a reporter around the company's improvised storm center, where the Sept. 11 goal had been established.

"Oops," he said. "You're not supposed to see that." He erased "9-10-05" from the dry-erase board and rewrote "9-11-05."

Mississippi Power was exceeding its revised expectations. Sure enough, Mississippi Power restored power to all its customers a day early — on Saturday, Sept. 10. Just before dark.



ATTACHMENT D

Testimony of David Ratcliffe President & CEO of Southern Company

Before the Senate Committee on Homeland Security and Government Affairs

November 16, 2005

Testimony of David Ratcliffe
President and CEO, Southern Company
Senate Committee on Homeland Security and Governmental Affairs
November 16, 2005

Thank you for the opportunity to appear before you today on behalf of Southern Company. Our company is a Fortune 500 company with 40,000 megawatts of electric generating capacity and 26,000 employees. We are among the largest energy companies in the nation, providing electricity to more than 4 million customers in Georgia, Alabama, southeastern Mississippi and the Florida panhandle.

Hurricane Katrina was the worst natural disaster in the history of our Mississippi Power Company subsidiary, and one of the biggest operational challenges Southern Company has faced in its more than 80 years of existence. The storm wreaked havoc on the lives of the 1,250 Mississippi Power employees and their communities, destroying homes and in some cases, entire neighborhoods. Many of our Mississippi employees lost their home, with half either flooded or severely damaged. Almost nothing was spared by Katrina's 140 mile-per-hour winds and 35-foot storm surge.

All 195,000 Mississippi Power customers and more than 600,000 of our Alabama Power customers were without power. Nearly two-thirds of Mississippi Power's transmission and distribution system was damaged or destroyed, the company's second-largest electric generating plant was flooded, and its headquarters building in Gulfport was damaged so severely it will not be fully operational until late next year. Yet, before the storm had passed, our employees had put aside their personal losses, and worked, with the help of many outside resources, to restore power across the devastated Gulf Coast region – in a remarkable 12 days.

I could not be more proud of this unprecedented response by our employees. At a high level, our success can be attributed to extensive pre-planning, excellent execution of a well-defined plan and significant help. And it starts with our planning process.

Southern Company's operating subsidiaries maintain detailed and dynamic disaster recovery plans. These plans for our coastal companies are graduated based on the expected damage from the five categories of hurricanes, with specific responses and actions identified for each. Each year prior to June 1, the start of hurricane season, Mississippi Power, for example, conducts a major disaster simulation. We practice annually because as peoples' jobs change, we must be certain that every aspect of the recovery plan is well understood by everyone involved. We routinely revise the plan as we gain new major storm or hurricane experience. In fact, Mississippi Power participated during the review of our Gulf Power Company's assessment of its plan following Hurricane Ivan that slammed the Florida panhandle in 2004. We were better prepared to respond to Katrina because of lessons learned from Ivan. Continuous learning in an organization is a critical component to achieving superior performance.

Our recovery plans provide for flexible and decentralized authority to make decisions as close as possible to the disaster. We start taking action two weeks before a potential disaster, and every day new decisions are made depending on the track and severity of the storm. In the case of Katrina, well before it hit, we activated our disaster plan with 20 storm directors implementing their clearly understood responsibilities. By the time Katrina struck, we had spent $7 million in securing equipment and logistical support.

Even as Katrina was still pounding Mississippi and Alabama, repair crews and trucks were rolling in from other states to begin immediate work on damage assessment and restoration. We had pre-positioned 2,400 out-of-state workers on the fringe of the storm area in Mississippi and in Alabama ready to move in where needed, with clear authority and accountability for the jobs assigned. Through mutual assistance agreements with utilities across our nation, workers from other utilities and contracting companies joined hundreds of employees from throughout Southern Company, and within seven days after Katrina, 11,000 workers from 23 states and Canada were assisting Mississippi Power. These emergency workers were provided housing, food, tetanus shots, and whatever possible to make life more comfortable for them in six full-service tent cities erected as their temporary homes.

Our management process for disasters calls for each operating subsidiary, like Mississippi Power, to be in charge of leading its restoration effort. With Katrina, functional business units such as transmission, generation and information technology responded seamlessly to the needs and overall priorities established not only by Mississippi Power but also by Alabama Power, which was impacted as well. Response and decision making are better when made as close as possible to the disaster and our management approach is designed to accomplish this.

That's why we were able to get 140,000 gallons of fuel to 5,000 trucks every night without fail, and provide 30,000 meals per day with few disruptions, and never have a line crew without the materials needed to complete its work. Our culture, defined by our corporate values of unquestionable trust, superior performance and total commitment, enables us to act decisively.

Our approach is strongly slanted toward self sufficiency. We do as much ourselves as we can and where we rely on outside suppliers for critical items such as cots and tents and food, we have back-up plans in the event those suppliers can't perform. As an example, we brought in our own 250-person armed security force for the protection of our people and equipment and for traffic control.

Our confidence in our ability to execute all aspects of our disaster plan, especially disaster assessment, allows us to establish meaningful goals that serve to challenge our employees to greater performance and establish expectations with our customers. Within 24 hours after the storm, we had inspected -- on the ground or from the air -- more than 75% of our electric system. Pre-positioning the 2,400 workers and advanced contracting with several aircraft made that possible. By the end of day 5, we were able to communicate to the public our commitment to have service restored to every customer who could take it by September 11. This goal created inspiration for all involved, and they found a way to exceed this goal and have service restored by September 10 -- again, just 12 days after Katrina hit.

We maintained daily communications with the public, demonstrating specific progress toward this goal. Customers are very understanding when they know what you're doing and what they can expect.

Our restoration plan also defines the priority for repairing electric facilities based on the need to establish stability to the electric system and to restore service to critical customers like hospitals, emergency responders, and water systems. Life threatening situations take priority over all others. During Katrina, we worked on generation, transmission and distribution at the same time with all of our priority customers in mind. In so doing, when we energized the transmission line into the Hattiesburg area, for example, we were able to restore power to both the Forest General Hospital and Plantation Pipeline pumping station. We stayed in close contact with all hospitals and other critical customers and refueled hospital generators until service could be restored.

One point that can't be overlooked is the value of Southern Company being a vertically integrated utility to its ability to respond. As stated previously, Mississippi Power was in charge of our response. The president of Mississippi Power made the ultimate decisions of how this effort would proceed. This company had catastrophic damage to its distribution, transmission, and generation facilities. The establishment and operation of staging areas, the procurement of food, shelter, fuel and security, among other things were singly handled for all three functions. This allowed for optimum utilization of these scarce services and the seamless and efficient sharing of resources among these three functions.

Decisions were made throughout the restoration to coordinate and direct the response of distribution, transmission, and generation so as to bring back all three functions in a way that resulted in faster response to critical customers and ultimately all customers. Coordination at this level would be much more difficult if these functions were in different companies. We had the ability to have one company set priorities and make decisions on behalf of our customers and not a particular business function.

Communication is crucial in responding to disasters -- especially the ability to communicate with thousands of additional workers. For most of the 12 days it took to restore service, the only viable communication we, or the coast of Mississippi, had was our

own internal system -- Southern Linc Wireless. This system has been built to the standards required for our electric business with considerable redundancy. While it also suffered catastrophic damage, within three days, it was functioning at near pre-Katrina levels and with added capacity to accommodate the dramatic spike in demand. Mississippi Power also installed its own microwave capability to 12 remote staging areas in order to transmit material inventory data into our automated procurement process. When communication circuits of another company were down, our information technology group would find a way to bypass those circuits and restore critical communications.

We received exceptional assistance from Mississippi Gov. Haley Barbour who had the foresight to call a joint meeting the day after the storm with the Federal Emergency Management Association, Mississippi Emergency Management Association, county EMA's and Mississippi Power to share plans and communicate actions. This meeting was instrumental in the excellent coordination and cooperation between Mississippi Power and all agencies involved. We embedded one of our employees within the FEMA and MEMA operations center, to deal continuously with issues as they arose. We had no instances in Mississippi of FEMA confiscating staging areas, fuel, or food. We requested and were given a certificate by FEMA to place in our trucks prohibiting interference by anyone.

Fuel was a critical issue for everyone in the Southeast. Important pipeline pumping stations are in Mississippi, which pump gasoline and diesel fuel to the eastern U.S. We were able to restore service to the six pumping stations we serve in Mississippi within 48 hours. While that allowed fuel to flow again through terminals in Mississippi, it was not adequate for us to fuel 5,000 trucks nightly. We worked with the Chevron Pascagoula Refinery to restore service to its pumps so that fuel from its tanks could be released. Chevron recognized the importance of our work and provided us with the fuel we needed for our 30 tanker trucks. Chevron should be recognized for their efforts.

There were, of course, many things that had to be done behind the scenes while line crews worked all day restoring power. From a human resources standpoint, through our family services plan, other Southern Company employees provided emergency services for those employees whose homes were lost or damaged. They removed trees from houses, put tarps

on roofs, salvaged personal belongings, stripped out carpet and did whatever else to enable local employees to focus on their disaster assignments.

In summary, our successful restoration following Katrina can be attributed to a few fundamentals:

- First, a strong culture of teamwork, trust, superior performance and commitment to our customers.
- Second, pre-planning and practice based on the application of lessons learned. Continuous learning is a disciplined process after every major storm. In fact, we are in the process of critiquing our Katrina response so we will be better next time.
- And last, but not least, the cooperation and hard work of our suppliers, customers and fellow utility workers throughout the nation and Canada.

The rebuilding of the Mississippi coast is ongoing, and it will be a long time before things return to some sense of normalcy. Our employees are still working in makeshift offices, living with relatives and friends, and overcoming incredible obstacles every day as they continue to live out our Southern Style credo of unquestionable trust, superior performance and total commitment.

Thank you.

SOUTHERN COMPANY

Energy to Serve Your World℠

Southern Company's Service Territory

ATTACHMENT E

Letters from Alabama Power Company, Georgia Power, and Gulf Power

600 North 18th Street
Post Office Box 2641
Birmingham, Alabama 35291

Tel 205.250.1000

November 21, 2005

ALABAMA POWER
A SOUTHERN COMPANY

SouthernLINC Wireless
600 University Park Place
Suite 400
Birmingham, Al 35209

Attention: Greg Clyburn

Dear Greg:

Alabama Power Company is a member of the Southeastern Electric Exchange (SEE) and participates as an active member of the SEE Mutual Assistance Committee. As such, we provide emergency restoration assistance to other SEE member companies during hurricanes, ice storms and other catastrophic events.

Communications is a vital part of the restoration effort, not only the ability of our crews to be able to communicate back to our Corporate Storm Center in Birmingham but, in particular, to be able to communicate with each other as well. This communications is necessary for the efficient operation and the effective coordination of our crews doing the emergency repairs.

We currently utilize the SouthernLINC Wireless communications system for the aforementioned communications while working within our own service territories. However, many times we are assisting other SEE companies outside of our service territory and are unable to utilize our SouthernLINC Wireless 2-way communications. This severely hampers the restoration effort by creating a communications problem for our crews doing the emergency repairs. We usually take an alternate means of communications (450 MHz 2-way radios) but this is often limited in effectiveness due to the availability of repeaters and terrain.

A better solution would be for us to utilize our existing SouthernLINC Wireless equipment through a dispatch roaming agreement with Nextel. We currently have the ability to roam with Nextel on their cellular system, and that is helpful in communicating back to our Corporate Storm Center, but it is not a good solution where dispatch service is needed for our crews. In effect, we need both capabilities -- cellular and dispatch.

The importance of communications is foremost in our minds as we reach the end of what has been a devastating hurricane season. I hope this letter has clearly described for you the important role that dispatch roaming would fulfill in our emergency restoration efforts. If I can provide further detail or additional information regarding these needs, please do not hesitate to let me know.

Sincerely,

Charles F. Wallis
Emergency Operations Center
Alabama Power Company

GEORGIA POWER
A SOUTHERN COMPANY

To: Holly Henderson
Bin 79490
Glenridge Connector

From: Aaron Strickland

Date: November 21, 2005

RE: Southern Linc's Role in Restoration

Electricity has become one of the most critical ingredients to restore communities to some sense of normalcy. It is the first step needed to begin emergency restoration for hospitals, fire and police departments, water and sewerage, communication towers, etc.

Southern Linc is the one critical communication tool for Southern Company that is essential to restoring electricity to communities following disasters. We depend on Southern Linc for communication and deployment of our entire disaster plan. While we may utilize other communication devices, Southern Linc is the one common communication tool that is used throughout our entire Southern System.

We depend on Southern Linc for:

- Communicating coordination of our storm teams
- Dispatching work orders
- Communicating emergency situations (wires down, injuries, etc.)
- Coordinating support and logistics assistance (outside line crews, lodging, food, etc.)
- Coordination of our electrical system

Dispatch and cellular roaming will and does assist us in providing that first critical step in the overall emergency restoration process. Following this year's hurricane season, it is easy to realize the potential and need for speedy restoration of essential services. Safety, health and human services, electricity and communication all go hand in hand to bring our communities back after such devastating events. This is even more evident when we travel out of Southern Linc Territory. We depend on So Linc as our primary communication tool and its use off system would be extremely beneficial in serving communities outside of our territory. We need good radio and cell phone coverage off-system to safely and efficiently restore electricity to areas of the United Sates. As an electrical utility, we depend on each other to assist during these emergencies and the better our communication tools are, then a quicker and safer process occurs.

We appreciate your continued support and efforts to assist us during these critical situations.

Sincerely,

Aaron B. Strickland
Distribution and Emergency Operations Manager

One Energy Place
Pensacola, Florida 32520

850.444.6422

GULF POWER
A SOUTHERN COMPANY

To: Gloria Ellwood
Bin 79490
Glenridge Connector

From: Andy McQuagge

Date: November 22, 2005

Re: SouthernLINC Wireless Dispatch

Following natural disasters, restoration of electricity is an essential part of restoring hope and normalcy to the communities we serve. Dependable communication is essential to the restoration process which begins with critical customers such as public shelters, hospitals, water and sewage facilities, law enforcement and fire/ rescue departments.

Although we utilize other communication tools during the restoration process we depend heavily on SouthernLINC Wireless as our primary communication tool. SouthernLINC Wireless is the one common communication tool used Southern Company wide.

Gulf Power uses SouthernLINC Wireless for:

-Coordinating manpower support and logistics (food, lodging, staging sites etc.)
-Issuing switching orders from Transmission and Distribution Operations Centers
-Dispatching work orders
-Communicating emergency situations
-Communication between crews working in the field

Based on the past two hurricane seasons, it has become even more evident that reliable communication is essential for the safe and speedy restoration of electrical service. SouthernLINC Wireless is our normal communication tool and it would be extremely useful if we could use it when we are providing assistance to companies outside of Southern Company's service territory. Through the mutual assistance process electrical utilities support each other during emergencies, often working far away from their normal service territories. Dependable radio and cell phone coverage is essential to safely restore electrical service to customers no matter where the emergency occurs. If available, SouthernLINC Wireless cellular and dispatch roaming can and will greatly assist Gulf Power during the restoration process both "on and off" system.

Thank you for supporting us during our restoration efforts following these events.

Sincerely,

Andy McQuagge
Company Emergency Management Center Manager